

**ADMINISTRATIVE PROCEEDING  
FILE NO. 3-15862**



**UNITED STATES OF AMERICA  
Before the  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**In the Matter of GeNOsys, Inc.,  
Respondent.**

**GENOSYS, INC'S OPPOSITION TO MOTION  
FOR SUMMARY DISPOSITION BY DIVISION OF  
ENFORCEMENT**

**FILE NO. 3-15862**

GeNOsys, Inc., by and through counsel John R. Berger and Joshua E. Little of and for Durham Jones & Pinegar, P.C., hereby submits the following opposition to the Motion for Summary Disposition By Division of Enforcement.

**INTRODUCTION**

GeNOsys, Inc. ("GeNOsys") has, as detailed below, made substantial steps to comply with all filing requirements, and will be compliant on or before December 1, 2014. GeNOsys hired new accounting personnel on July 10, 2014 and retained the auditing firm of Piercy Bowler Taylor & Kern. As a result, the Commission should not revoke the registration of GeNOsys securities at this time.

## **BRIEF IN OPPOSITION**

### **I. RESPONSE TO STATEMENT OF FACTS**

GeNOsys does not dispute the facts contained in the Division of Enforcement's ("Division") statement of facts. However, GeNOsys submits the following additional facts in support of its opposition to the Division of Enforcement's Motion for Summary Disposition.

### **ii. ADDITIONAL FACTS**

1. On July 10, 2014, GeNOsys hired new accounting personnel and retained a new auditing firm for the express purpose of filing all late periodic filings and assuring future compliance with the Securities Exchange Act.

2. GeNOsys submitted information to its new auditing firm, Piercy Bowler Taylor & Kern, who expect to complete an audit for the year ended December 31, 2011 by August 30, 2014. *See* attached Exhibit A, letter from James Andrus, Audit Principal with Piercy Bowler Taylor & Kern.

3. GeNOsys' new auditing firm estimates that it can complete audits of the year ended 2012 and 2013 along with the review of each quarter for the respective periods within 8-12 weeks of filing the 2011 Form 10-K. *See* Exhibit A.

4. As a result of the foregoing, GeNOsys estimates it can file all required 2011 filings on or shortly after August 30, 2014 and all required 2012 filings on or shortly after Nov 30, 2014, and all required 2013 filings in early 2015.

## II. ARGUMENT

GeNOsys admittedly missed filing deadlines, but it has made substantial steps toward compliance and has established a system which ensures future compliance. As a result, revocation or suspension is not “necessary or appropriate for the protection of investors.”

### A. **GeNOsys has made substantial efforts to remedy its past violations and ensure future compliance.**

As the Division points out, in determining the appropriate response to an issuer’s violations, the Commission may consider “the extent of the issuer’s efforts to remedy its past violations and ensure future compliance; and . . . the credibility of the issuer’s assurances, if any, against future violations.” *Gateway Int’l Holdings, Inc.*, 2006 SEC LEXIS 1288, at \*19-20 (May 31, 2006). As noted above, GeNOsys engaged new accounting personnel and retained a new auditing firm. As a result of the new accounting staff and auditing firm, GeNOsys has made substantial steps toward compliance and should be fully compliant on all required 2011 filings on or shortly after August 30, 2014 and all required 2012 filings on or shortly after Nov 30, 2014, and all required 2013 filings in early 2015.

### B. **GeNOsys has made substantial efforts to ensure future compliance.**

In addition to engaging the services of an auditing firm and hiring new personnel, GeNOsys now has a superior economic outlook as compared to 2011 through 2013. Its increased revenue and new licensing agreements will allow GeNOsys to maintain a dedicated and professional accounting staff and continue to engage the services of its auditing firm.

GeNOsys has, among other efforts, licensed its Nitric Oxide Generator to Alpha-GeNOsys which should result in substantial revenue. GeNOsys also has a letter of intent from Praxair Global regarding the purchase of GeNOsys' Nitric Oxide Delivery Devices.

Additionally, GeNOsys has a contract with Trans-American Medical Imaging to manufacture a delivery devices to fulfill contracts with Praxair under FDA, CE, MDD, USA and European regulatory approval. Finally, GeNOsys has plans to license its Nitric Oxide Acne Gel to Dr. Reddy Labs (Prometheus Derma Care USA), and has plans to licence Nitric Oxide Inhaled Gel to an established medical distribution company.

In addition to GeNOsys' new contracts and agreements, it also holds current patents on its

1. Nitric Oxide Generator
2. Nitric Oxide Generator using Non-Deliquescent Tablets
3. Control Devices for Nitric oxide Generators
4. Automatic Analysis and Delivery Devices for Nitric Oxide
5. Nitric Oxide Gels for hand washing
6. Nitric oxide gels and method of use for inhalation.

Futhermore, GeNOsys intends to secure provisional patents on

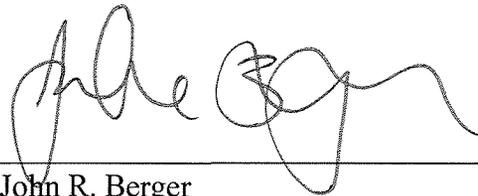
1. Nitric Oxide gels for Acne
2. Nitric oxide gels for deep-topical applications in wound healing
3. Acidified Nitrites for generating Nitric oxide
4. Nitric oxide cylinder filling with generator.

These substantial steps and future plans clearly serve to protect current and prospective investors. As a result, revocation or suspension is not necessary here.

**CONCLUSION**

GeNOsys has made substantial steps toward compliance, has submitted a detailed plan of when it will complete all filing requirements, and now has the manpower and resources to ensure future compliance. As a result, revocation or suspension are not necessary here to protect current or prospective investors. Therefore, the Commission should deny the Division's Motion for Summary Disposition.

DATED THIS July 31, 2014.



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*Attorneys for GeNOsys, Inc.*

# Exhibit A

# P B T K

PIERCY BOWLER  
TAYLOR & KERN

Certified Public Accountants  
Business Advisors

July 31, 2014

Randy Miller, President  
Genosys, Inc.  
1132 East 1145 North  
Orem, UT 84097

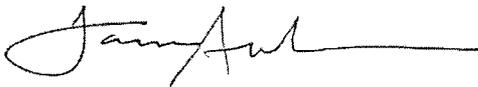
Dear Mr. Miller:

This is to confirm that we have agreed to be engaged by Genosys, Inc to audit its annual financial statements and the required reviews of interim periods for the years ended December 31, 2011, 2012 and 2013, that are necessary for filing with the US. Securities and Exchange Commission and now past due. We plan to start our engagement upon receipt of your check for the requested retainer and a sufficient number of the requested account analysis schedules for the audit of the 2011 financial statements.

Barring any unforeseen difficulties, we estimate that we can complete the audit for 2011 by August 30, 2014. We also estimate, barring unforeseen difficulties, that our 2012 and 2013 audits will be completed, together with our quarterly reviews for the appropriate interim periods within 8 -12 weeks of completing the annual audits necessary to enable filing of each successive annual report on 10K now past due. This estimate depends on timely cooperation from your staff and team in providing schedules and drafts of the quarterly and yearly financial statements.

If you have any additional questions regarding timing or status of the audit process, please feel free to call me or email.

Sincerely,



James Andrus  
Engagement Principal